IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE SEVENTH DAY OF NOVEMBER
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE SRI BILAL NAZKI, THE ACTING CHIEF JUSTICE

and
THE HON'BLE SRI JUSTICE R.SUBHASH REDDY

WRIT PETITION NO : 16373 of 2005

Between:

The New India Assurance Co. Ltd,

Rep. by its Divisional Manager,

11th floor, B-Block 21, Pattulos Road,

Chennai.

..... PETITIONER

AND

1. C.Madhava Rao and another.

.....RESPONDENTS

ORDER: **(Per Hon'ble Sri Bilal Nazki, The Acting Chief Justice)**

Heard learned Counsel for the parties.

The grievance of the petitioner-Insurance Company is that the first respondent had claimed Rs.2,00,000/- as compensation, and the petitioner was prepared to pay Rs.2,00,000/-. During the pendency of the proceedings before the District Consumer Forum, the petitioner had already paid an amount of Rs.83,400/- to the respondents, and the District Consumer Forum ordered payment of further amount of Rs.1,59,692/- together with interest. The issue before the Forum was whether the respondents were entitled to receive an amount of Rs.2,00,000/-. When the amount already paid was added to the amount that was ordered to be paid, it exceeded Rs.2,00,000/-, and the issue was whether there is coverage of Rs.2,00,000/- under the policy issued by opposite party. This position is not disputed by learned counsel for the respondents.

Keeping in view these circumstances, we modify the order passed by the District Consumer Forum, Visakhapatnam, as confirmed by the A.P.State Consumer Disputes Redressal Commission, Hyderabad, and hold that, in all, the respondents 1 and 2 are entitled to compensation of Rs.2,00,000/-, and to the interest thereon at the rate of 12% p.a.

Writ petition is, accordingly, disposed of. An amount of Rs.1,59,692/- shall be deposited by the petitioner in this Court. A sum of Rs.83,400/- has already been received by the respondents, hence, we direct that an amount of Rs.1,16,600/- shall be paid to the respondents by the Registry directly, and the interest on the amount payable to the respondents by the petitioner shall be calculated and paid within a period of six weeks. Rest of the amount deposited shall be reimbursed to the petitioner. No costs.

(Bilal Nazki, A.C.J)

7th November, 2005

(R.Subhash Reddy, J)

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